LOURDES A. LEON GUERRERO GOVERNOR



JOSHUA F. TENORIO LI. GOVERNOR

UFISINAN I MAGA'HÅGAN GUÅHAN OFFICE OF THE GOVERNOR OF GUAM

March 18, 2022

The Honorable Peter A. DeFazio Chairman House Committee on Transportation and Infrastructure 2134 Rayburn Office Building Washington, DC 20515 The Honorable Sam Graves
Ranking Member
House Committee on Transportation and
Infrastructure
1135 Longworth HOB
Washington, DC 20515

RE: H.R. 6974

Håfa Adai Chairman DeFazio and Ranking Member Graves:

Last week, Congressman Ed Case (HI-01) introduced H.R. 6974, to establish a targeted Jones Act Waiver for the State of Hawaii in response to the exponential costs of fuel resulting from the nationwide ban on Russian oil imports. Guam does not have any crude oil reserves, petroleum production, or refineries. We are highly dependent on maritime shipping to receive most goods into our island, including imported oil from Asia. However, like Hawaii, the Jones Act prohibits from engaging in trade with foreign-registered ships. Shipping to non-contiguous territories is expensive and competition limited. As a result, the high costs of shipping are directly passed onto consumers, into the price of everyday goods, including fuel.

This month, the cost of regular-grade gas in Guam has risen to a prohibitively expensive \$5.99 per gallon. Our island is struggling to rebuild its economy after the devastation caused by the COVID-19 pandemic, and it is imperative that our people can afford to go to work and school. The rising cost of fuel undermines our efforts over the last two years to bring our economy back, disempowers our people, and crushes our spirit.

I understand the House Committee on Transportation and Infrastructure is currently reviewing H.R. 6974. Therefore, I ask that an amendment be made to the bill to include Guam and other U.S. territories as eligible ports exempted from certain Jones Act provisions for the transportation of oil and fossil fuels to offset the rising costs of fuel. This amendment would directly benefit the thousands of Guam residents who continue to carry the financial burden brought on by the COVID-19 pandemic.

From: Governor Leon Guerrero

To: Chair DeFazio and Ranking Member Graves

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I look forward to your favorable consideration. Please feel free to let me know if my office needs to provide additional information or assist in any other way as H.R. 6974 moves further along in the legislative process. As always, my office remains available to you.

Si Yu'os ma'åse!

Senseremente,

LOURDES A. LEON GUERRERO

Maga'hågan Guåhan Governor of Guam